

State of Utah

Department of Natural Resources

MICHAEL R. STYLER Executive Director

Division of Oil, Gas & Mining

JOHN R. BAZA Division Director JON M. HUNTSMAN, JR.

GARY R. HERBERT
Lieutenant Governor

March 2, 2006

Douglas Peterson Jack B. Parson Companies P.O. Box 3429 Ogden, UT 84409

Subject: Complete Notice of Intention to Commence Small Mining Activities, Jack

Parson Companies, Hot Springs Mine, S/003/073, Box Elder County, Utah

Dear Mr. Peterson:

The Division received your Notice of Intent (notice) and initial permit fee payment on February 16, 2006, concerning your proposed Hot Springs small mine, located in the South 1/2 of the Northeast1/4 of Section 14, T7N, R2W, SLBM, Box Elder County, Utah, to disturb 5 acres or less.

The State Historic Preservation Office (SHPO) has reviewed your proposed operation and has not recommended that further cultural resource surveys be completed at this time. However, if cultural resources are encountered in the future, you should contact SHPO to determine if mitigation or additional surveys are needed.

Your Notice requested a variance to leave the access road for this project to access your property for non-mining related used in the future. The Division finds that leaving a 14-foot wide road to be in compliance with the intent of the Utah Mined Land Reclamation Act and Rules and hereby **approves** this variance.

The Division finds your Notice complete with the following conditions:

1. Reclamation Surety: Please provide a reclamation surety and a Reclamation Contract (form MR-RC) for this project. Once the Division approves the surety and reclamation contract, you will be authorized to commence operations. The reclamation surety is determined to be \$18,600.00 for the 5-acre project (\$5,400 for the first acre and \$3,300 for each additional acre). Your bond will be reviewed periodically to ensure it remains adequate. No mining related disturbance can be created until the surety is received and approved.

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The reclamation bond can be submitted in one of several forms, including cash, an irrevocable letter of credit, a certificate of deposit, and a surety bond. When you determine which form of surety you will post, please contact Beth Ericksen at (801) 538-5318 or e-mail bethericksen@utah.gov to obtain the current forms, or you may obtain them on the internet at www.ogm.ut.gov. Before signing the documents, please fax a "draft" copy to Beth at (801) 359-3940 so she can review them for completeness and accuracy. We will then inform you if corrections need to be made or if the documents can be finalized and submitted.

Thank you for your cooperation to help finalize this permitting action. In reply, please refer to file number \$\sigmu 003/073\$.

Sincerely,

Susan M. White

Mining Program Coordinator Minerals Regulatory Program

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